

KYMENLAAKSON AMMATTIKORKEAKOULU

University of Applied Sciences

Master's Degree Program in International Business Management

Adeel Gill

DEVELOPING A BUSINESS PLAN ACROSS CULTURE

Master's Thesis 2011

## ABSTRACT

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This thesis is mainly an effort to create a powerful brand which attributes to today's health-conscious customer market; another purpose behind this business plan is an ambition of being successful in the new business and to create a secure financial resource.

The background behind this selection is inspired by the rapid growth of ethnic food brands, and a broad interest in exotic tastes. Another fact is a widespread belief that many ethnic cuisines are somehow healthier.

The first part of this thesis developed a method of analyzing important elements of launching a new business. The empirical part of thesis focused on how to turn a project idea into a project plan. The research part included the examination of activity in the area of Pakistani/Indian restaurant businesses mainly based in Helsinki and Stockholm. Interviews were conducted to investigate the existing successful businesses strategies; this study also introduced some personal ideas of innovations. As result the business plan helped taking thorough, careful and comprehensive look at the most important facets and helped evaluate the new venture.

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## 1 Introduction

A business plan is essential for a new business; it gives an insight to opportunities, weaknesses, threats and possibilities. This thesis developed a business plan for an ethnic brand restaurant "The Indian village". The first part of this thesis developed a method of analyzing important elements of launching a new business. The empirical part of thesis focused on how to turn a project idea into a project plan. The research part included the examination of activity in the area of Pakistani/Indian restaurant businesses mainly based in Helsinki and Stockholm. Interviews were conducted to investigate the existing successful business strategies; this study also introduced some personal ideas of innovations.

Finnish market has a great demand for exotic food. People are always eager to try something different. The food business is firstly considered a relatively smaller investment as compared to big businesses but it is also commonly viewed as being able to become successful and move forward depending on good strategy and market research. So in some ways the food business seems like a good investment. As generally viewed, before starting a new business, one must understand and be aware of conditions and the society he wants to operate within. Being in Finland has allowed me to understand the conditions, demands and existence of different businesses. In order to explore the area of interest, which is the food business, required me to dine in different places. This has surely helped to observe various techniques of running such businesses.

Planning of a restaurant specializing in Indian/Pakistani cuisine urged me to develop a new business strategy of such an establishment. I tried to find the relevance of this business idea with the scientific business theory of how to start a new business. The start-up situation and the basic elements for any new business at the beginning are somewhat the same, but finding a relevant business theory for starting a new business especially in Indian/Pakistani restaurant was a challenge. Developing a business plan for a restaurant in a highly competitive environment can be difficult, but a solid plan of action can help figure it out. Working hard for a new business is good but hard work alone is not enough to attract customers. This is why a solid business plan is needed.

## 1.1 Background

The selection of this specific concept was inspired by a friend's success in new business ventures. He developed a business strategy and then started working on it empirically. It boosted my motivation and personal interest in developing a small business. One driving force is my creativity which has always enticed for satisfaction by owning a business.

The background behind this selection is driven by the rapid growth of ethnic food brands, and a broad interest in exotic tastes. Another fact is a widespread belief that many ethnic cuisines are somehow healthier. Successful business can be attributed with giving oneself a high self esteem

## 1.2 Aims and Objectives

A new business is a big job and it is necessary to have something that can help to manage the business. A business plan can act as a management tool that can help to focus on where we are and where we want to be in the future. Chances to go without a business plan, may not be so pleasant in the end. A business plan helps to guide all stages of business towards success. A widespread belief is that many ethnic cuisines are somehow healthier. This thesis has two objectives:

- 1) An effort to create a powerful brand attribute to today's health-conscious customer market.
- 2) The second purpose behind this plan is an ambition, to be successful and to create a secure financial resource.

The current situation with job opportunities does not seem so promising to me. In that case owning a successful business can be a good alternative. This strategy appeals to the development of an exotic restaurant across culture. The food business particularly sparked the interest because these days there are a variety of restaurants with numerous offers. Many of them show no concern with providing food according to health standards. Being overweight is an illness which millions face each day. Some natural facts about

our body cannot be changed but one way to change being overweight is starting to eat healthy food.

I want to place customer convenience and comfort as the top priority. This plan is different and purely genuine, because I want to help people understand how to select healthy diets, and help changing their behavior towards nutritionally-positive food. A sensible food choice can make a huge difference to the quantity, the quality of calories, and sodium and fat consumed in a diet. So this business plan is a noble effort towards the well being of the human race and the creation of a healthy food culture, whereby people are aware of what they eat and how food can be consumed to affect their lives in a positive manner.



### 1.3 Development process

The research process of this thesis consists of mainly three stages. The three stages are: first, second and third. All three stages are different yet combined with each other; Figure 1 below depicts the research process in three sections.

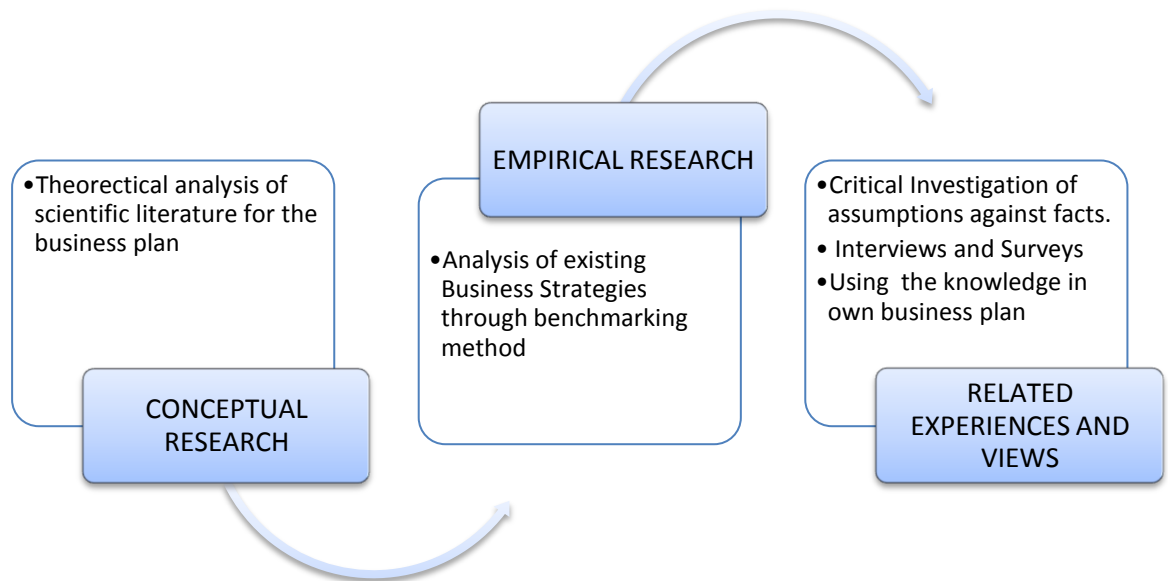


Figure 1: The structure of project

The first stage emphasized the importance of having a business plan; with the help of conceptual research method of scientific theory. The conceptual part of this thesis is based on McDonald (2007), and Mellor (2009). The review of these business theories helped to take thorough, careful and comprehensive look at the most important facets of starting a new business, including the contexts in which they operate. It also enhanced the understanding to spot future trouble areas, and to identify opportunities. The synthesis of these strategies is depicted in figure 2 below.



Figure 2: The conceptual part of research process

In the second stage of research process, qualitative research method was used for data collection. A good business plan depends on understanding the customer needs. Therefore a business unit should be able to define the strategies which make restaurant, a place where people want to come and eat. The market research helped to narrow down elements like personal behaviours, stories, and organizational functioning of business. This research method also contributed to understanding the nature of different businesses.

Benchmarking strategy of some selected restaurants emphasized on some important elements like location, arrangements, staff, food quality, related experiences with food business, skills, knowledge of facts, and experience of customers. It enhanced the understanding about some existing business units, and the way people perceive a particular food business. In the last phase quantitative research method was used with a questionnaire analysis. This research produced numerical data collected from fifty people including some customers from different restaurants. Research methods helped to get precise measurements which were helpful to compare different trends.



Figure 3: The empirical part of research process

Figure 3 above defines the last stage which includes, the information gathered through questionnaires and personal analysis. This information helped to measure the customer expectations and the stereotypes attached to some existing business units.

## 2 The model of business plan

This chapter contains conceptual theory and strategic planning of the business plan. The business plan has mainly three purposes. First, it serves to develop a strategy and communicate it to the level of management. Second it serves as the justification of resources and budget. Third, it provides and instrument for monitoring ongoing progress and making corrections during the plans implementation. Figure 4 below depicts the key elements for a new business.

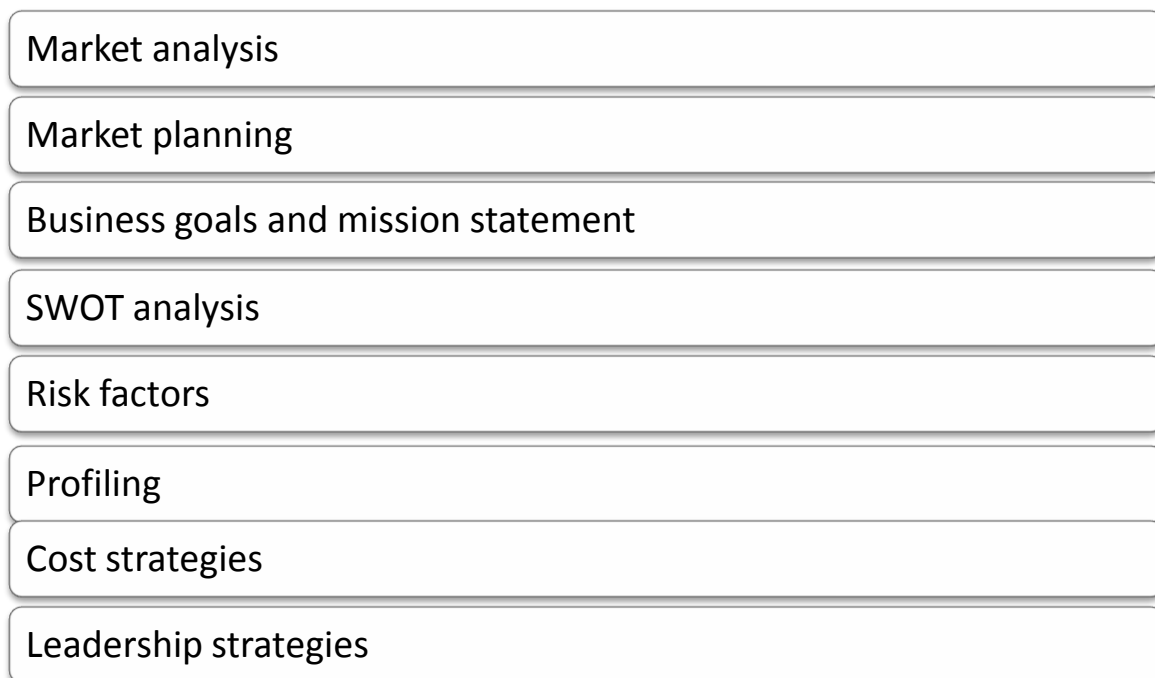


Figure 4: The essential elements of the approach to market plans as presented by McDonald (2007)

### 2.1 Market analysis

Market analysis helps to understand the competition in the market and prepares a strategy to position a new business in relation to its competitors. Without a proper analysis too often market strategies are set at too high level which leads to poor outcome. Market analysis helps selecting market segments, which helps providing

products and service according to the customer expectation and demand. It provides an analysis of existing organizations, primary competitors, and key strategies to do it better and at a lower cost that customers prefer. Competitor product analysis helps to price the products, and defines the need if modern equipments are needed. Customer loyalty can be won by offering them consistent and reliable services. An entrepreneur measures his potential to introduce a broad range of product/services to keep existing customer groups attracted. New customers groups can be targeted by the additional categories provided.

### 2.1.1 Market Planning

Market planning is establishing an operational strategy to position a new business in the market. Market research determines the strategies that help to attract customers for new products. It helps to discover the attractions a new business can offer that others cannot. An entrepreneur can use its competitor's business knowledge in own terms by conducting a market research. It is good to know the difference between own performance and others. All new businesses should develop some survival strategies for its operational ability during a start-up process where margins are narrow. In other words finding ways to do it better than others are doing. The observation of social behaviour, competitor's strengths, weaknesses, and leadership and business skills helps to identify opportunities of growth. The questions below provide an insight to the market planning process especially at a start-up level.

Customers: Who are my customers? How can I understand their needs and ensure their satisfaction?

Competitors: How can I have an advantage over my competitor, or how I am going to do things differently?

Company: At the start how can the company's operate for its own survival and ensure its future strength?

Before starting any new business, customer's needs and business goals should be clearly determined. Customer knowledge is based on learning about their cultural norms, emotions, needs, feelings, wants, values and attitudes. It is worthwhile to know the customer's point of view by looking at one's own business strategy.

## 2.2 Business goals and mission statement

It is important to develop an understanding of products according to their profitability. A clear understanding of the profit generated by different products/services will help the both future services and products. Making a strategy is deciding how to best position the organization within its competitive environment in order to achieve profitability. The business unit should strive to arrange its objectives hieratically, from the most to the least important. A business unit should set realistic goals. The level should arise from opportunities and strengths, not from wishful thinking. A business unit must have strategic analysis of important elements. Strategic analysis is focusing down layer by layer to develop a clear understanding of market. It is referred to onion skin. Each layer must be peeled off and analyzed to examine its health before the core strategic business (SBU) is approached.

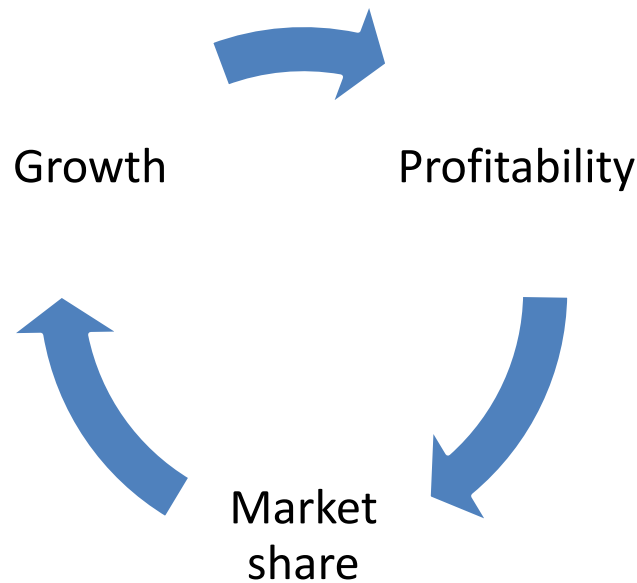


Figure 5: True business goals

Figure 5 above depicts a relationship of profitability, growth and market share. Business goals can be seen in these three categories. Profitability in a new business ensures growth and market share. Profitability refers to the potential of a venture to be financially successful. This may be assessed before entering into a new business or it may be used to analyze a venture. Although it may be found that one set of factors is not likely to be successful or has not been successful, it may not be necessary to abandon the venture. It may be feasible to change operational factors such as pricing or costs.

### 2.3 Swot analysis:

Starting a new business is a complex process and that is why it is necessary to view the overall strategies in SBUs. Unless these SBUs are identified any planning will be generic and bland. Strategic planning must focus on each SBU to identify the actions and goals. A swot analysis is the process that enables a company to assess the present state of a business.

Through market analysis, a clear segmentation of market, seeks to avoid a bland and unfocused approach to the market. A clear definition of the specific competitors and an understanding is needed to develop a customer group. SWOT is basically abbreviated from four words: strength, weaknesses opportunities and threats. The SWOT analysis should be conducted for each of the key product or market segments should be presented briefly and in an interesting way.

Customers cannot know about a new business unless they hear about it. Creating a brand image through advertising and promotional activities is very helpful. Figure 6 below describes the elements of Swot analysis.

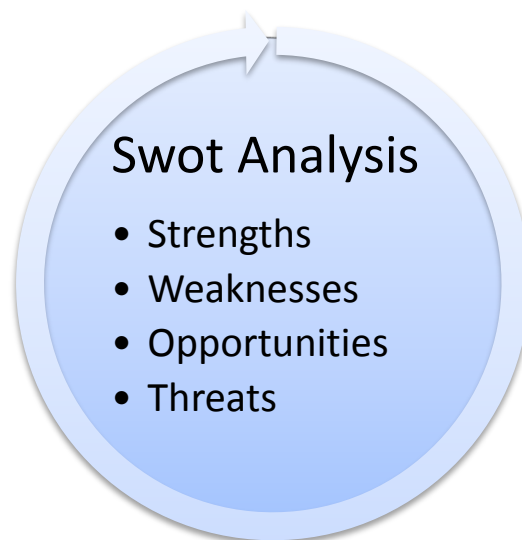


Figure 6: SWOT analysis



## 2.4 Risk factors

A balanced evaluation of risk is very important. A leader has to be aware of these risks, threats and harmful elements which may affect the business. The knowledge of these risk factors helps a leader to prepare a prevention strategy. Mainly there are two types of risk factors. An entrepreneur is challenged by these factors which are Internal and external. They both are equally important and depend on each other. Internal factors are to be dealt with initially, but external factors can be learned with time by gaining market experience.

### 2.4.1 External

Figure 7 below describes the external risks. They are outside the influence of management, for example performance of the national economy, stability of the industry, competitor pricing, and Interest rates. The manager should know the parts of the environment to monitor, if the business is to achieve its goals. A business has to monitor key environment forces like demographic/economic, technological, political/legal and social/cultural, and environment factors like customers, competitors, and distribution channels. The manager should set up a market intelligent system to track trends and important developments. For each trend and development, management needs to identify the implied opportunities and threats. A major purpose of environment scanning is to discern new opportunities. Opportunities can be listed and classified according to their attractiveness and the success probability. Figure 7 below depicts some external risks.

<b>POLITICAL</b>  EU legislation, inspection priorities, changing patterns of employment, flexible workforce	<b>ECONOMIC</b> Interest rates changes Cost of waste disposal Need to cut waste Insurance premiums Tax incentives
<b>TECHNOLOGICAL</b>  Improved equipment Better guardian Substitution of materials Improved data collection Licensing authorities	<b>SOCIAL</b>  Customer demands Customer expectations Growth in consumer awareness Greater use of media Competitors

Figure 7: The risk factors and external risks, Risk management 10 principles by Jayne (2002)

## 2.4.2 Internal

Some major internal risk factors are pricing, level of variables costs, and level of fixed costs, which are directly influenced by management. A wrong market analysis and, wrong cost strategy may lead business to jeopardy. It is important to know the demand of products, and how flexible one's costs are (variable costs and fixed costs). Customers will definitely consider the relative cost of one's competitors and prefer the best priced products and services available. Clear understanding of business objectives, through a proper planning, and a commitment will lead a business to success. Each business needs to evaluate its strengths and weaknesses periodically. Each factor should be rated as whether it is a major strength, a minor strength, a neutral factor, a minor weakness, or a major weakness. Figure 8 below depicts the internal risk factors a company might face.

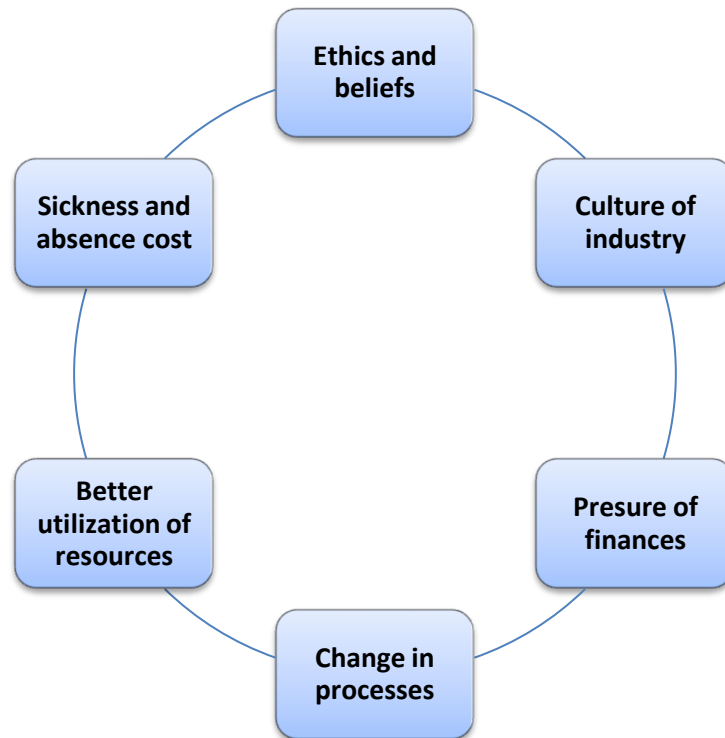


Figure 8: The risk factors and the internal risks, Risk management 10 principles by Jayne (2002)

Internal risk factors may develop a significant business risk for an investor. Some internal risks are mentioned in the figure 8 above, which can be noticed and corrected to improve the internal performance.

## 2.5 Profiling

Customers face a growing range of choices in the products and service these days. They are making their choice on the basis of their perception of quality, service, and value. Companies need to understand the determinants of customer value, and satisfaction. Customers are satisfied when their expectations are met and delighted when their expectations are exceeded. Satisfied customers remain loyal longer, buy more, are less

price sensitive, and talk favorably about the company. Profiling is a useful tool to create customer satisfaction.

### 2.5.1 Financial profiling

A manager should be well informed about the financial position and expenditures. The leader has to know if the finances and the financial information are relevant and accurate according to the market standards. The budget has to be well prepared and accurate, for future operational strategies. Before progressing any further, all necessary financing has to be assured. Initial goal is to establish a list of expenditures on a paper, for all the required financing and then to measure one's own capacity and strength in accordance.

### 2.5.2 Product profiling

The most basic marketing tool is product, which stands for the company's tangible offer to the market, including the product quality, design, features, and branding. Market penetration requires a good product presentation. The observation of competitor product is very important. The manager has to review the unique strengths of their own product against competitor's, and has to know the market segment in which products serve the best. It is good to develop a product profile paper for each product. The product profile analyzes your products in terms of the concepts such as, the list of features a product offers to its customers and the benefits for a company in terms of profit.

### 2.5.3 Customer profiling:

The main goal of customer profiling is to categorize the traits and characteristics of customers. This process helps to identify the reasons customers purchase products from one's company and not from the competitors. Customer profiling does not mean to know each customer individually, but just to know the primary characteristics of good

and bad customers. Strategic thinking about customer profiling can help business and lead it to a profitable territory. A company has to observe its customers who are sales and profit contributors, and customers who have profitable growth potential for the future.

1. Care and concern: the customer wants to feel that the organization, its employees and its operational system are devoted to solving his problems.
2. Spontaneity: contact employees demonstrate a willingness and readiness to actively approach customers and take care of their problems.
3. Problem solving: contact employees are skilled in taking care of their duties and perform according to standards. Moreover the rest of the organization including operational support employees and operational support systems are also trained and designed to give good service.
4. Recovery: if anything goes wrong, or something unexpected happens, there is someone who is prepared to make a special effort to handle the situation.

Grönroos (2000)

#### 2.5.4 Competitor profiling

This analysis relies on a sound understanding of customer perspectives and competitor performance. The competitor's profile should be seen from a customer perspective by using the SBUs. In market analysis, we can define different market segments and customer groups that can be targeted. Measuring competitor's performance and gaining clarity of own performance against competitors is useful. The aim to gain a competitor profile relies in knowing their strengths and weaknesses. This produces a source of competitive advantage. This strategy can help to create differentiation.

## 2.6 Cost strategy

”Pricing is an area with a tremendous potential for increasing profitability, but unfortunately, if managed badly, it can quickly bring a business to its knees. Pricing is both art and science” (Meldrum 2007). A new business may require delivering a relevant quality product or a service possibly at the lowest cost, and to develop a cost difference over the primary competitors for making it more attractive for new customers. Standardization of products is also an important part. Cost strategy also considers the cultural facts for product pricing. A question between either providing a differentiation approach to match the customer needs with good quality, and gain competitive advantage, or having low cost to gain profit margin and increase product volume that often leads to practice a mixed approach. The company has to decide what it wants to accomplish with a particular product. If the company has selected its target market and marketing position, then pricing will be straight forward. Figure 9 below depicts the nature of competitive advantage.

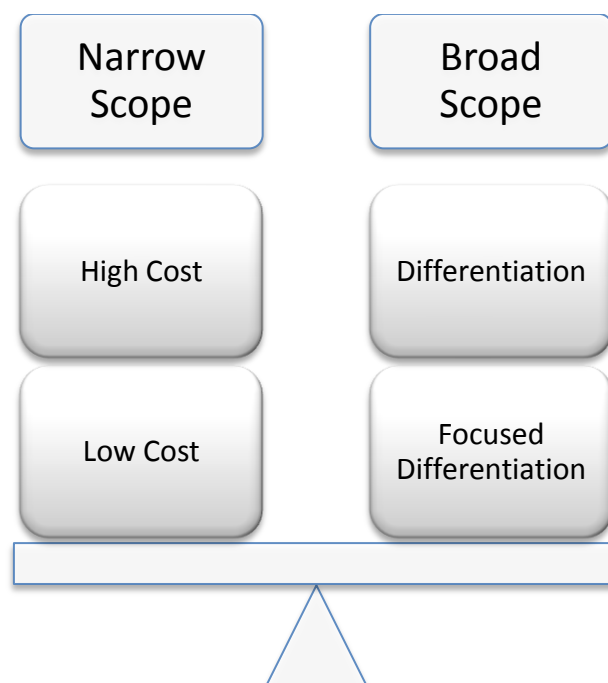


Figure 9: An illustration based on the cost strategy by McDonald (2007)

### 2.6.1 Low cost products

Several circumstances might lead a firm to cut its price. One circumstance is if a company needs additional business and cannot generate it through increased sales efforts, product improvement or other measures. A company might face a price war, as competitors try to hold on to their market share. New business wants to ensure its customer group which it is the lowest cost producer with the best quality. This way one can win a greater volume of business through lower prices than competitors, and continue to be profitable. Prices also influence customer perceptions. In some markets high prices are seen as overcharging or taking advantage of customer. In other markets competitor with lower prices may have advantage, but a lower price can also damage the competitive position or the brand image. Brand image is associated with prices.

### 2.6.2 High costs products

Some products whose prices tend to remain constantly high or fixed, it is necessary to know the real demand of those products to set a fixed cost. Increasing number of companies' base their price on the product's perceived value. They see the buyer's perception of value not the seller's cost, as the key to pricing. A company develops a product concept for a particular target market with a planned quality and price. Then management estimates the volume, which hopes to sell at this price. The estimates set the demand capacity, investment and the unit cost. Management then figures out whether the product will yield a satisfactory profit at the planned price. If it does the company goes ahead with product development otherwise, the company drops the idea. A business without the lack of a real understanding of the profit generated by different activities and products without data and strategy becomes less logical and relies just on intuition and luck.

## 2.7 Leadership strategies

A new business at an early stage is generally considered fragile; where a leader and staff members are both new to each other, further it is not necessary that a good entrepreneur is also a good leader. In the beginning phase of management a leader might find it hard to understand his employees, so setting some guidelines might help the staff and the leader. The true leadership is like a big wise head which can direct an organization towards success. A strategic leadership can define the direction of an organization. A true leadership recognizes long-term and short-term goals and its objectives. It is also necessary for a leader to determine priorities, to direct team activities by using his inspirational leadership. According to Cameron (2008) a new leadership should have following strategies.

- (1) A focus on positively deviant performance, or successful performance that dramatically exceeds the norm in a positive direction;
- (2) An affirmative bias or an orientation toward, for example, strengths rather than weaknesses, optimism rather than pessimism, supportive rather than critical communication.
- (3) A focus on virtuousness and eudemonism, or on the best of the human condition and that which beings consider to be inherently good.

A leadership is responsible for other people and their performance. Responsibility and authority are defined as operating environment. The core concept of leadership is responsibility of other people and for the results they achieve in their work. A leadership should take actions based on ethicality, shared beliefs and value connected to the basic mission of an organization. The most important characteristic of excellent leadership is the creation and strengthening of a positive development attitude. Without a positive attitude there will be no permanent learning results. Figure 10 below describes the main characteristics of excellent leadership behaviour.



<b>PROFESSIONAL SKILLS</b>	
<b>Building trust and confidence</b> <ul style="list-style-type: none"> <li>• Objectivity and fairness</li> <li>• Honestly</li> <li>• Is true to his word and promises</li> <li>• Can make decisions</li> <li>• Acts in consistent fashion</li> <li>• Bears his responsibility in all situations</li> </ul>	<b>Inspirational motivation</b> <ul style="list-style-type: none"> <li>• See the big picture</li> <li>• Clear and challenging goals</li> <li>• Is fully dedicated and enthusiastic</li> <li>• Knows how to encourage and reward</li> <li>• Uses humor</li> <li>• Tries to see the positive side</li> </ul>
<b>OWN EXAMPLE</b>	
<b>Intellectual stimulation</b> <ul style="list-style-type: none"> <li>• Delegates responsibility</li> <li>• Gives room and freedom of action</li> <li>• Does not leave anyone alone, acts as a sparring partner</li> <li>• Two-way feed back</li> <li>• Does not always have to agree</li> <li>• Encourages others to generate ideas</li> <li>• Admits his own mistakes</li> </ul>	<b>Individualized Consideration</b> <ul style="list-style-type: none"> <li>• Is genuinely interested in people</li> <li>• Knows how to listen</li> <li>• Is easily approachable</li> <li>• Takes care of the followers</li> <li>• Is present and enjoys being with people</li> <li>• Knows the followers</li> <li>• Accepts that people are different</li> </ul>

Figure 10: Main characteristics of excellent leadership behaviour. (Nissinen 2006)

### 3 Creating a tentative business plan

Chapter three contains the research part of the business plan, which includes an examination of activity in the area of Pakistani restaurant businesses mainly based in Helsinki and Stockholm. Interviews were conducted to investigate the existing successful businesses strategies. This study also introduced some personal ideas of innovation.

#### 3.1 Starting a new business in Finland

The world economy has undergone a radical transformation in the last two decades. Geographical and cultural distances have shrunk significantly with the advent of jet airplanes, fax machines, and internet linkups. This shrinkage of distance has permitted companies to widen substantially their geographical markets as well as their supplier sources. Over the past few decades, Finland has become an entrepreneur-friendly country. It is apparent that this change will continue into the future since the opportunity for entrepreneurship has improved tremendously. Society, in Finland, gives successful entrepreneurs a high status. Finnish market has a great potential for new businesses, but still there are few who will take the risk. According to the Ministry of Trade and Industry Finland (2007) the task force set up has investigated the opportunities and methods to promote immigrant entrepreneurship. It is funded by the entrepreneurship policy programme. The task force's mandate is linked to the Government's new immigration policy programme and the endorsement of work-based immigration. The main purpose of the task force was to come up with measures to promote growth and opportunities for immigrant entrepreneurship.

According to Boston Consulting Group, (4-2009) Scandinavia is considered amongst the most innovative regions of the world, while Denmark and Norway ranked impressive. This survey also ranked Japan as the most innovative country in the world. Nevertheless, according to this report, Finland and Sweden ranked in the top ten innovative countries. When it comes to the general perception of how difficult it is to

start a small business, attitudes of Europeans and Americans are approximately similar. Most of them think that it is somewhat too difficult to start a business.

### 3.2 The analysis of current food culture

Kouvola despite being a small city and relatively less populated than the bigger cities, has a variety of food providers. Mainly, there are two types of restaurants, fast food and full meal. Fast food, in general appears to be more popular among the younger generation; unfortunately, most fast foods contain too many calories, salt, and cholesterol to be ingested daily or even once a week. Eating at fast food restaurants has increased and is linked to today's obesity.

According to health specialists, children between the ages of 7-12 should consume approximately 2200 calories per day, while adults should consume approximately 2000 calories per day, although exercise levels and current weight can affect these numbers. The total of a single meal at a fast food restaurant could comprise almost a full day's caloric intake.

To observe the current food culture, it was necessary to record the number of calories and fat in different types of food, to make a list and to show the difference. Figure 11 below depicts the amount of calories and grams of fat packed in fast food:

Food	Calories	Fat grams
McDonald's vanilla shake	773	21
McDonald's French fries	384	20
McDonald's Big Mac	563	33
<b>Total for one meal</b>	1,680	74
Home cooked meal		
One half of a roasted chicken	142	3
Medium-sized baked white	130	0
Half a cup of green peas	67	8
1 cup of unsweetened applesauce	105	0
<b>Total for one meal</b>	444	11

Figure 11: The comparison list of the calories

### 3.2.1 Pakistani/Indian food culture

Djanhal and Halliday (2007), describe the history of Subcontinent as one of the oldest civilizations of the world, which has always had lots of diversity mainly because it has been occupied by so many different nations and religions. These nations ruled India for decades, mainly the Mughals and the Great Britain. India embraced all the different and cultural influences, and religious practices. Ceremonies of local traditions have made a contribution towards the evolution of cuisine and kept adding a rich taste to the food. Another major influence in this development of Pak/Indian cookery was the establishment of the Mughal Empire starting in 1526. Arabic background of Mughals

added lamb, beef, chicken and fish to the cuisine. The opulent tastes exhibited by such emperors as Hymayun, Akbar, Jahangir, Shah Jahan and Aurangzeb in art, architecture, music, dance, and jeweler was also extended to food. A style of cookery called Mughali' evolved in Mughal court and even today it is very popular in Lahore/Pakistan as well as worldwide. Some widely known survivor recipes of court cookery are, for example, chicken tandoor a dish in which chicken is cooked at low temperatures in special ovens called “ tandoor”, and murg musalam' in which the whole chickens are roasted with special spices and ingredients. Shahi tukra, a dessert of sliced bread, milk, cream, sugar and saffron, is another left-over from the days of the Mughals.

### 3.2.2 A brief look at cookery in Pakistan

Djanhal and Halliday describe Pakistani cookery, as full of regional character, with each of the four provinces offering special dishes.

“It is difficult to decide which of the almost endless catalogue of dishes from the subcontinent can be identified as specifically”Pakistani” (Djanhal and Halliday 2007)

In Punjab, Mughlai cuisine uses tandoor (ovens). In Baluchistan, cooks use the Saji method of barbecuing whole lambs and stick bread in a deep pit. From the older times, use of spices, herbs, seeds, flavorings and seasonings have helped cooks transform rather ordinary foods into an exotic cuisine.

Some of the most commonly used spices in Pakistan today are chili powder, turmeric, garlic, paprika, black pepper, red pepper, cumin seed, bay leaf, coriander, cardamom, cloves, ginger, cinnamon saffron mace, nutmeg, poppy seeds, aniseed, almonds, pistachios, and yogurt. They are used in a wide range of pickles, chutneys, preserves, and sauces, together with curries of all descriptions and special recipes of meat, seafood, and vegetables, which gives Pakistani cooking much of its distinctive character.

### 3.3 Survey of two existing ethnic restaurants

Market research in this part included some interviews and surveys. It is good to know what is going on around helped the idea of establishing own business and to review the relative and essential elements. The empirical research part of this research contains surveys of two restaurants

- Namaskar, Helsinki, Finland
- Äkta Indisk & Pakistan mat in Stockholm (old city), Sweden

Both of these restaurants are owned by immigrants. The main purpose of the survey was to know “how the owners got into this business” and observing their business strategies and study what they encountered while establishing their businesses.

#### 3.3.1 Äkta Indisk & Pakistan Mat, Stockholm Sweden



Figure 12: Indian and Pakistani restaurant in the old city, Stockholm

Figure 12 above depicts the survey about an ethnic restaurant located in Stockholm. According to the owner of Äkta Indisk & Pakistan (2010) they have a satisfactory number of customers. Their regular customer list contains a large number of immigrants living in Sweden, including tourists and Swedish people. The owner as an immigrant, preferred to have his own business, it gave him self-esteem and less use of a foreign language. He is happy to help his compatriots in a foreign culture by giving them a job, and to participate in creating a good food culture. For a new business, being an immigrant and especially the start-up process was difficult at first but gradually it progressed. An ethnic-based brand is strength, according to the owner. He also has some regular Swedish customers that mean he has succeeded to develop a good taste across culture.

## The Standardization of food and menu

The restaurant menu is suitable for both vegetarian/non-vegetarian customers. Chili is used reasonably in the most dishes but they also have hot chili dishes depending on customer requirements. The menu in figure 13 below depicts the standardization of food.

<b>Chicken tandoori</b> Grilled chicken legs marinated in spices served with rice 69:-	<b>Palak Ghosht</b> Spinach with lamb and spices served with rice. 69:-	<b>Prawn Vindaloo</b> Prawn made in very hot sauce served with rice 69:-
<b>Aloo Gobhi</b> Potatoes and cauliflower made in spices served with rice. 69:-	<b>Tikka masala</b> Boneless grilled (chicken, lamb or beef) in spices served with rice 69:-	<b>Chicken tandoori</b> TikkaBoneless grilled chicken marinated in spices served with rice Mutton tandoori Boneless grilled lamb marinated in spices served with rice 79:-
	<b>Beef tandoori</b> Boneless grilled beef marinated in spices served with rice 79:-	

Figure 13: Menu at Ätka Indisk & Pakistansk Mat, Stockholm Sweden

## Restaurant's arrangements and atmosphere

The owner is fond of eastern culture so he made the arrangements in accordance.

Figure 14 below shows the statue at the entrance of the restaurant, holding an Indian flag.





Figure 14: Welcoming statue at the entrance of Ätka Indisk & Pakistan Mat

Secondly the name of the restaurant consists of both Pakistan and India. Karachi is a coastal city in Pakistan, Because India and Pakistan used to be one big country before the partition, there are similarities regarding food and culture.



Figure 15: A cultural arrangement of musical instruments.

Figure 15 above depicts the eastern musical instruments. These instruments made the restaurant look more atmospheric and gave a glimpse to the golden history of music, art and food.

### 3.3.2 Namaskaar Indian Express, Helsinki



Figure 16: “NAMASKAAR” Indian Express, Helsinki

Figure 16 above shows Namaskaar restaurant is located in Helsinki. The owner is a Pakistani. He has been living in Finland for more than ten years and owns two restaurants in Helsinki. On my visit I ordered different dishes to observe the menu and taste the difference. The menu contained vegetarian and non-vegetarian food, some different sort of jams, spicy pickles and cultural drinks.

It was lunch time and the restaurant was full of customers so there was no room. I had to stand in a queue and wait for the turn. After the meal, I requested an interview and when the owner got to know about my links from Pakistan and Lahore, he became excited and it sparked his interest to know the opinion about his restaurant, food and the arrangements.

About starting a new business across culture he told, that when he came to Finland the biggest challenge was the language, he could not communicate with people properly and he felt so helpless. He had an inspiration from one of his family members for food business. He wanted to try it across culture, and he wanted to be successful within his limited language skills and education. He had to hire some staff from Pakistan, (mostly his family members) and some other employees that he found in Finland. He said Helsinki has become more multicultural and people are keen on having exotic food.

He has many regular Finnish customers and tourists and also some Asian customers. He has never advertised his restaurant in any newspaper or magazines but according to him the best advertisement for food business is a good taste and a good quality which brings his customers back. Location is also very important to him; he would not like to move his restaurant to a new place. He said with time he has gained a reputation and has developed a taste of food, and even the tourists in Helsinki come again to his restaurants whenever they get an opportunity to come back. He is very pleased with the progress of his business that three years ago he launched another branch also in Helsinki. Figure 17 below shows the menu of Namaskaar restaurant.

<p><b>Mutton Kadahi</b></p> <p>Lamb cooked in tomato sauce tempered with whole spices, with added fresh capsicums and onions. Lammasta tommatticurryssa höystettynä paprikalla, sipulilla ja chillillä</p> <p><b>8,20€</b></p>	<p><b>Kashmiri Sabzi</b></p> <p>Fresh potatoes, cauliflower, green peas, carrots and capsicum in tomato and onion gravy. Perunaa ja kukkakaalia, herneitä, porkkanaa ja paprikaa tomaatti-sipulikastikkeessa</p> <p><b>7,00€</b></p>
<p><b>Aloo Chana</b></p> <p>Chick peas cooked in masala gravy. Perunaa kikherne ja masala-kastikkeessa</p> <p><b>6,40€</b></p>	<p><b>Bater Chicken</b></p> <p>Chicken cooked in sweet tomato sauce Kanaa meidossa, tomaattikastikkeessa</p> <p><b>7,90€</b></p>
<p><b>Chicken Madras</b></p> <p>Chicken cooked in coconut sauce, cream tempered with onion tomato, and curry leaves. Kanaa kokooskastikkeessa höystettynä kerman, sipulin ja tomaatin kera</p> <p><b>6,40€</b></p>	<p><b>Palak paneer</b></p> <p>Potatoes and cottage cheese in spinach sauce perunaa ja tuorejuustoa pinaattikastikkeessa</p> <p><b>7,90€</b></p>

Figure 17: The menu at “Namaskaar” Indian Express, Helsinki

According to me the food was a bit too spicy, but the owner lets his customers choose a slightly spicy food. He has an idea about the standardization of food. He has reduced spices in the food but he would not like to turn a spicy dish into a sweet dish that it loses the original traditional taste, However, I was expecting it to be less spicy or perhaps bland so I was surprised that customers still liked it. The owner is very happy to promote his culture through traditional food across culture and has gained self esteem through a successful business. He has built a reality on his dreams, which was all based on a vision which he has made true as the result of his strenuous efforts.

About the future challenges he thinks, there is a rich food culture in Helsinki and a tough competition, for there are many Chinese, Japanese, Indian, Spanish, Italian, and all kinds of international restaurants, so the quality has to be maintained perpetually to meet the customer's expectations.

### 3.4 The questionnaire analysis

The last part of this thesis is based on a quantitative-research method. The method of research was conducted by using a questionnaire to determine people's behavior towards Pakistani/Indian food. The research was based on measurable data gathered through benchmarking strategy. Different customers were interviewed at Pakistani/Indian restaurants to ascertain their opinions. This research proved to be a source of much useful information, that I could use it for my own restaurant project. The aim of research was an evaluation of people's attitude towards the opening of this new restaurant. These questions were selected to evaluate the new venture, and to know people's inclination towards the food.

I developed a questionnaire and interviewed 50 people altogether.

#### 1) Have you ever been to any Pakistani/Indian restaurant?

The first question included respondents from Kymenlaakson area mainly Kouvola and Kotka, 64% of the respondents which is 33 people said that they have never visited any Pakistani or Indian restaurant. 17 respondents said that they have visited some Indian restaurants while visiting bigger cities like Helsinki, Lahti or Oulu. 46 respondents said they would love to try and they are interested in tasting it at least once, only 4 respondents are not very interested. Figure 18 below depicts the customer's tendency towards Pak/Indian restaurants.

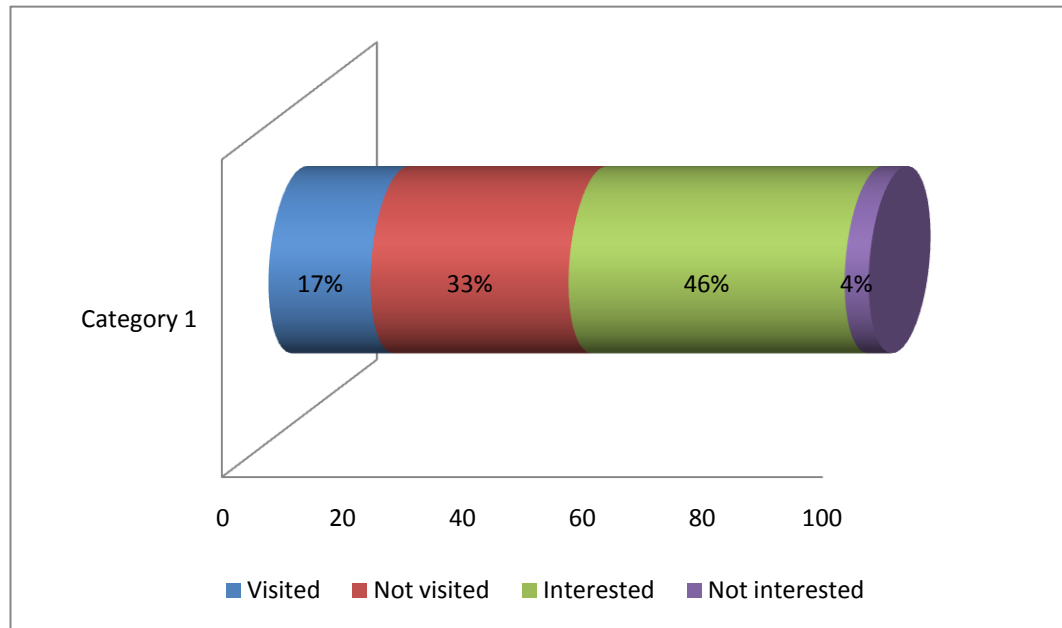


Figure 18: Have you ever been to a Pakistani/Indian restaurant

## 2) What did you observe while you were there?

The second question includes respondents who have experienced these restaurants and some customers were on the spot having a meal. Getting different opinions was worthwhile in improving own concept. According to 15% respondents, Indian and Pakistani restaurants are not very formal. They should serve in a formal way. 45% respondents consider it a non-vegetarian food. If they go to an Indian restaurant, they are not so sure about having the meat on the menu because Hindus are vegetarians and worship cows as one of their gods, and some Hindus do not even like to eat eggs, so people are not sure about the menu. About Pakistani restaurants 20% respondents think Muslims do not eat pork so it is maybe not wise to order a pork dish, because it may annoy them. Some respondents had an opinion that every restaurant has a different menu, so it is up to customers to choose. Y values in figure 19 below depict the customer tendency towards Pak/Indian food.

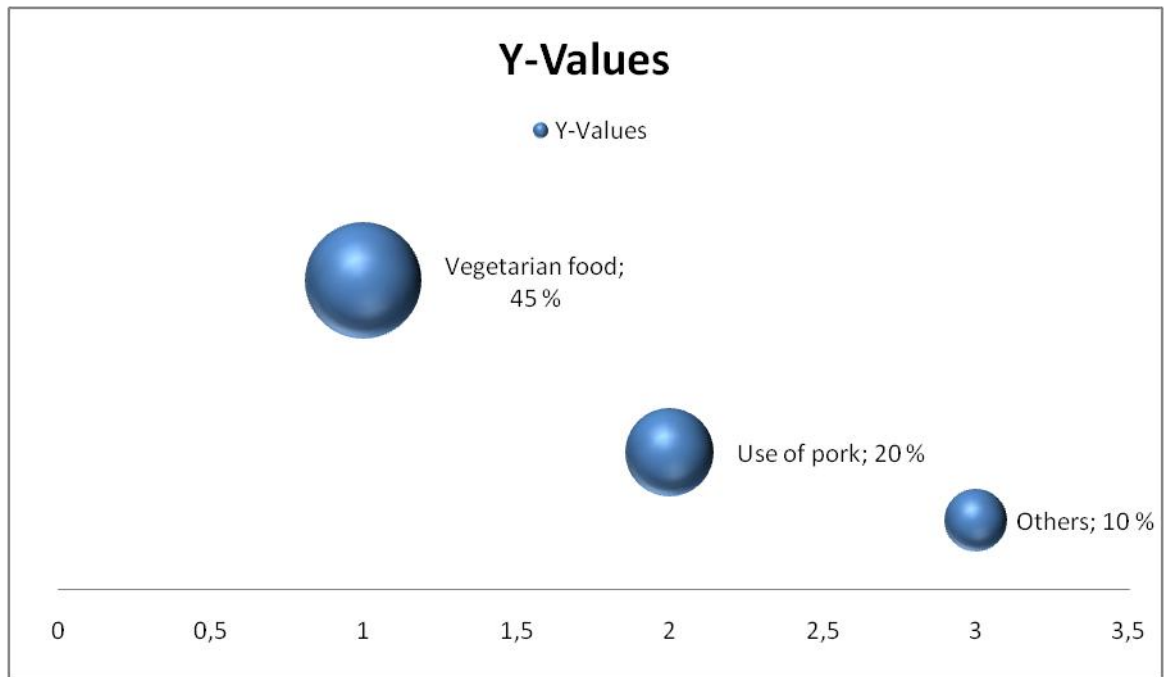


Figure 19: The analysis of customer tendency towards Pakistani and Indian food.

### 3) What attracts you to select particularly an Indian Restaurant?

40% of the respondents consider Indian/Pakistani food healthy and they like the use of herbs and spices, 15% of the interviewees said that every restaurant has a different menu so they are interested in trying it at least once. 25% of the respondents like cultural decorations and the history. It is interesting for them to observe a different taste in a different cultural surrounding. 8% of the respondents are just concerned about food quality and arrangements and not brands. Figure 20 below depicts some customer attractions towards Pak/Indian restaurants.

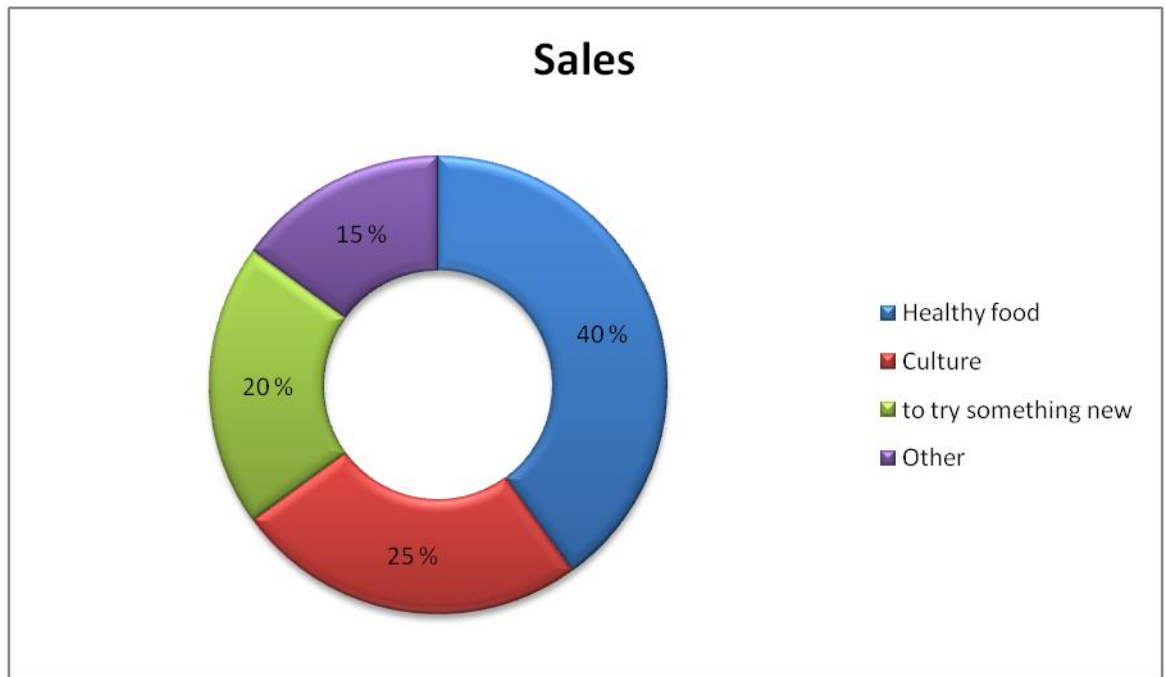


Figure 20: The reasons of attraction

#### 4) Would you like to have an Indian restaurant in your area?

There is no Indian restaurant in Kymenlaakson area so 75% of the respondents are excited about having an Indian restaurant because they get a chance to visit some Indian restaurants only when they are in Helsinki or Lahti. 15% of respondents are satisfied with the existing number of ethnic restaurants in Kymenlaakson. 10% of the interviewees were not so keen on eastern food since they consider it fatty. Figure 21 below shows the customer attitude towards a new restaurant in Kymenlaakson area.



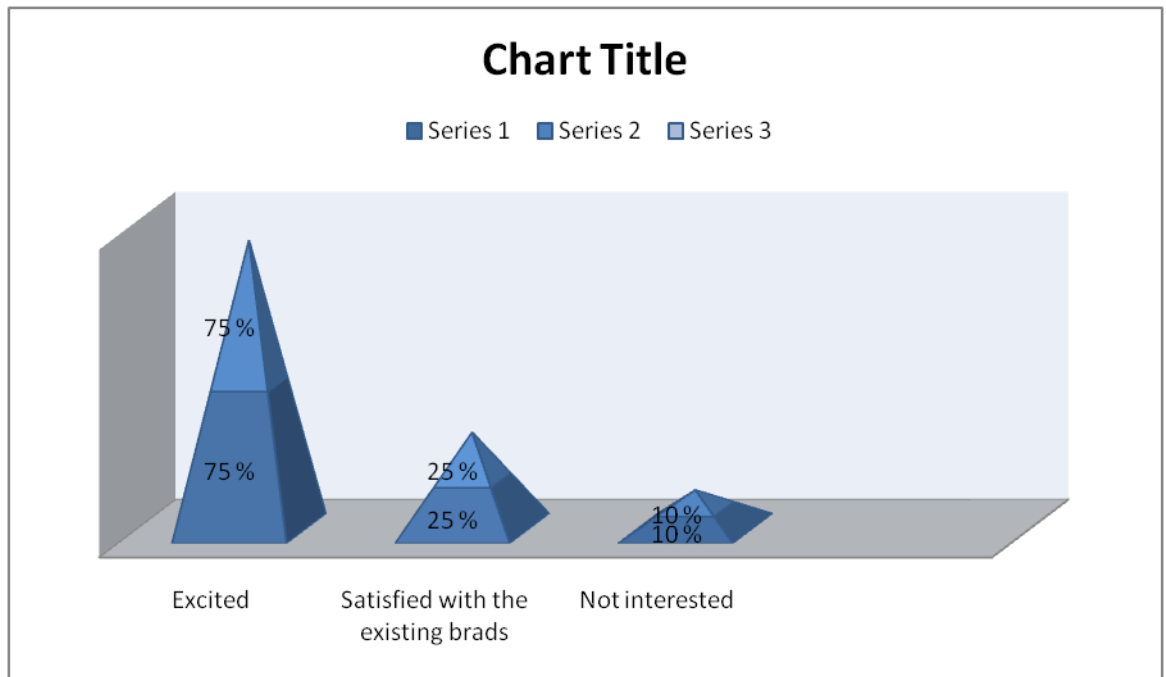


Figure 21: Would you like to have an Indian restaurant in your area?

#### 5) What are your customer expectations regarding a new Indian restaurant?

As can be seen in figure 22 below 38% of the respondents look forward to spicy food with a good vegetarian and a non-vegetarian menu. They also appreciate a good cultural environment. 15% of the Interviewees are concerned about courtesy and friendliness of staff and expect a good customer service. Nearly 26% of the interviewees are concerned about the price difference and would prefer a low price with a good food quality. 20% of the respondents look forward to a good buffet meal for a reasonable price. Figure 22 below shows the customers' expectations.

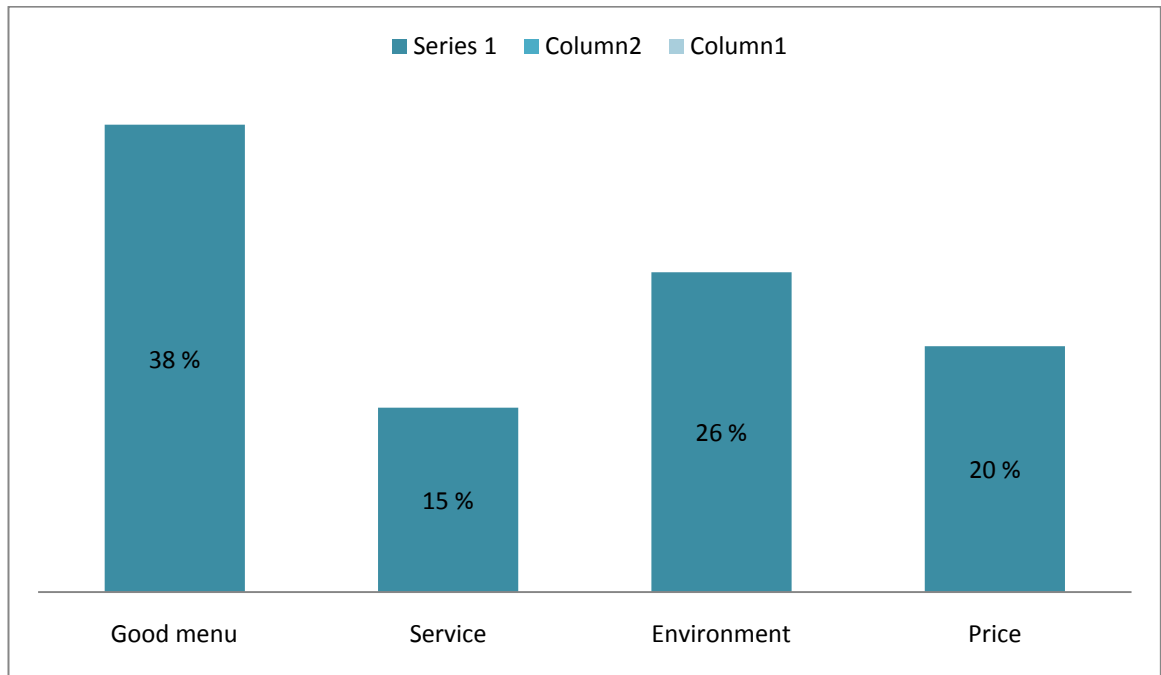


Figure 22: The customer expectations

The above analysis draws a conclusion that there is certainly a room for Indian village restaurant. People would like to try different food, they seem curious about new taste and cultural atmosphere of a restaurant. There are some stereotypes associated with previous experiences, but there is always a way to do things better. I also learned that today; few customers are satisfied with just getting something to eat. Rather, they have come to expect higher levels of dining experience. Finding ways to create the right kind of dining experience to match the customer expectations is a growing challenge for every operator. Good food is not the only thing customers are looking for today. When they go for lunch they want a break from their work environment. They want to purchase and consume their meals in a place that offers a sense of life and excitement.

To have satisfied customers, an entrepreneur must meet customer expectations. This requires being aware of customer expectations, without this knowledge, it will be difficult or impossible to meet and exceed the expectations. If expectations are not met, the customer will perceive the performance as inadequate and actions as insufficient.

The questionnaire analysis was based on five important questions to know customer's basic expectations but later additional questions can be added to the list to deal with particular issues depending on the product, service, company and situation.

## 4. SUMMARY AND CONCLUSIONS

This thesis consists of three stages of starting a new business. All three stages are different but combined with each other; the first stage emphasized the importance of having a business plan; with the help of scientific theory. I, the author got to know that before we embark upon a new venture of starting a new business, it is wise to measure the health of the vision. The right vision will make the business plan alive and a reality. The first stage of this thesis is about giving this vision a right direction, the form and the clarity according to the scientific theory. In the first part I learned that the right business strategy and tactics are important to make the vision come true. Different department develop the additional strategies, tactics, and systems to achieve their results and, ultimately, the strategic objective of the company. I figured that vision alone is not enough for starting a business; there are basic factors which need to be observed before launching a new product.

The second stage was implemented by benchmarking method. I did some surveys and interviews to observe the basic departments of successful businesses like pricing, location, products and promotion. I analyzed the related additional strategies which boost businesses and the importance of basic strategies. The questionnaire analysis helped to understand the opportunities and the possibilities. I got to know the customer expectations and the social behavior towards this project. It was good to measure these possibilities, keeping in mind the customer expectations.

The third stage was implemented by scientific theory for Indian village restaurant, and described the basic elements of the concept. I analyzed the possibilities of market penetration, through the mission statement and goals, and discussed how the plan is so unique and genuine which so far no one is practicing. I also analyzed different elements like the standardization of food, the opportunities, strengths and weaknesses and defined the toolkit. I researched the ideas to create a good image, and how a good environment can participate in giving customers a sense of fulfillment and joy.

This process needed a parallel study plan. First of all I had to analyze the scientific

theory for starting a new business, and then to observe different ethnic restaurants and their environment food and location.

Thesis supervisor provided his guidance, and instructions towards making it more progressive and professional. Writing this thesis has also enhanced my personal and professional skills; I learned to examine the health of issues more scientifically and more professionally, I further would like to implement my business plan in practice and will try to put the best foot forward with the restaurant business.

During research I dined in many good ethnic restaurants and figured that entrepreneurs base their food business on satisfying products which return a profit. I gained new knowledge and learned that many people may take food business as an easy task, and would not go through conventional scientific theories of starting up a new business, yet many of these entrepreneurs are fruitful and learn by experience but in that case chances of success are surely at risk. The scientific theory for entrepreneurship was really helpful to widen the understanding that even when entrepreneurs start a new business regardless of a proper scientific theory, it still applies for them.

I reach the following conclusions; firstly it is very important to have a business plan in order to understand the target market and the future of a business. A traditional business plan simply does not provide the results one desires. Every business strategy is different. A business plan based on a vision, enthusiasm and a purpose, requires a proper market research and planning. The success in the end relies on a good market research and a planning theory.

Secondly by the analysis of current business trends in Finland I am positive about the progress of food business. I have seen different ethnic brand restaurants doing a successful job. This definitely sparks the interest and gives all the hopes and chances for survival to a new business. Thirdly many food providers show no concern with providing food according to the health standards, so this business plan is noble share towards the well being of human race.

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## INTERVIEWS

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Jaleel Aziz 2010, "Namaskaar" Indian Express, Helsinki.

## Appendix 1/2

## THE ACTUAL BUSINESS PLAN FOR INDIAN VILLAGE RESTAURANT

## Mission statement and goals,

- The core mission is to create a powerful brand which attributes to today's health-conscious customer market.
  - To become successful by creating a secure financial resource.
  - To ensure the positive impacts of business on customer health and choices made for the environment.
  - To provide a high quality service including fairness and understanding of customer's needs.
- 1) To ensure the safety of food supply and maintain a healthy food standard.
  - 2) To inform customers about food in order to allow informed choices, and to prevent deception.
  - 3) Using food labels to educate, and to help customers selecting healthy diets.
  - 4) To follow the national nutrition guidelines, to sustain a balance, and to offer a nutritionally-positive diet.
  - 5) Creating customer awareness about the relationship between diet and health, than merely offering them food.
  - 6) To give young people a better understanding of how diet affects their health.
  - 7) Telling customers about the sensible food choices which can make a large difference in the quantity of calories, energy, and fat consumed in diet.
  - 8) Offering better food products, changing food fashions, and taste.



## Long-term existing plan

Indian village restaurant is an ethnic-based innovative concept which targets a growing market and expects a positive response. The main goal is to create a reputation of quality, consistency, security of food, and to be the leaders of a new style of dining. Long-term plan is expansion of this business project to at least five more units within the next ten years. Second is to entertain the possibility of buying own buildings, in order to provide a better atmosphere and decor.

## Toolkit for the restaurant plan

The simple act of opening a restaurant does not assure the customers attraction for life. New restaurants may get customers coming in, mostly out of curiosity, or simply because of its location, but that does not determine the level of success for a business.

Mainly a restaurant business starts with some basic elements, and it is important to get them right. The owner constantly needs to monitor, and review these basic elements before implementing a marketing strategy. The basic elements of Indian Village Restaurant's market penetration strategy are depicted in figure 23 below.

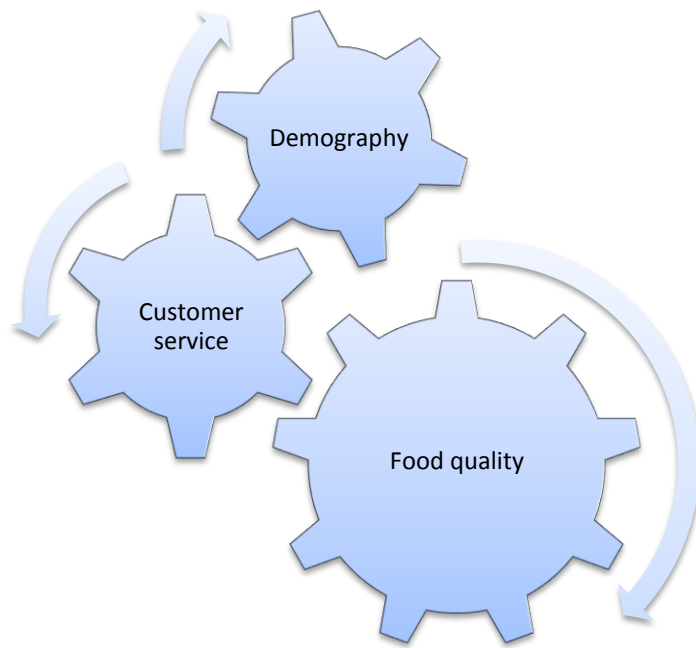


Figure 23: The basic elements of of Indian Village restaurant market penetration strategy.

## Food Quality

If there were no competitors, a menu would never require any changes or updates, but in order to penetrate the target market, Indian Village has to perpetually evolve its strategies, and constantly compete with food establishments to win its customer attention and loyalty.

It is important to have a consistent food quality for every meal. Some restaurants start with top-quality food, however over time allow their food to be prepared cheaply and become sloppy. Customers notice the changes and do not return to such establishment.

Another thing that discourages customers is the lack of variety in menu. The menu should always have the popular items that stand out. Items, that are not selling well

should be taken off the menu and replaced with fresh offerings. Customers love to try something new, and this could be a way to boost sales of Indian Village.

## Customer Service

The restaurant must have good customer service. From the moment a customer walks into the restaurant, they should be made to feel welcomed and appreciated. Each staff person should be properly trained to provide the best service possible.

The staff can be one of the best assets in a restaurant. They are the ones who interact with customers the most. Some elements like greeting, food preparation, taking orders, serving drinks and food, cleaning tables and restrooms represent a good restaurant management. Indian Village restaurant is aware of the idea that the quality of service, directly affects the success of a restaurant.

## Demographics

Whole business plan is based on the customer attraction. It is good to know something about the type of people coming to the restaurant, and the people, who live and work within a three-mile radius of the restaurant's location.

Indian village restaurant would like to target a customer's group who really enjoys the cultural atmosphere and food. In order to know the customer preferences, it is important to conduct a little survey via a comment card, either before or after a meal. The card should request some information about customers as follows in figure 24 below.

Name	Birthday	Sex
How did you rate the meal?		
How did you rate the service?		
Would you like to eat here again?		
Would you like to recommend us to your friends?		
What items would you like to see on the menu?		

Figure 24: Customer information

## Concept Description

According to a common observation villages carry more traditions and culture than cities. The theme “Indian Village Restaurant” illustrates an arrangement of a traditional village with a large variety of traditional delicacies, and musicians playing traditional music. It will give customers an overall experience they would love and appreciate. The interior of the restaurant would be a typical village looking square, where a number of traditionally dressed vendors hawk their edible specialties.

Once the customers are shown to their table, they are welcome to browse around inside and select whatever they wish from different vendors, where most of the food is cooked right in front of them.

The architecture of the restaurant would require it to be identical to the village life in Pakistan with excellent food and traditional dressed waiters which would not be seen in the cities.

Overall, it should leave a mark on their mind of older times when the food was considered pure simple and healthy.

## Location

The restaurant industry is ever changing and fast growing. Restaurants and other eating/drinking establishments are also a driving force for a country's economy.

Kouvola is neither a densely populated city nor a main tourist attraction. In the bigger cities like Helsinki and Stockholm many tourists try different types of food every day. Although tourists cannot become regular customers, but they still contribute to a good income.

In smaller cities restaurant business depends on a good reputation of food and atmosphere. The offers have to be more tempting than competitors.

Launching a new product requires the discovery of possibilities and characteristics which may become the source of attraction for the customers. These possibilities and characteristics should be measured and examined, in depth, to create the opportunities.

Also it is good to analyze the existing products in the market to become aware of the current trends, the expectations of the customers, and to create better options against competitors.

## Development of start-up

Launching one's own business is a great opportunity but it is a culmination of hard work. Launching a restaurant in a smaller city like Kouvola or Kotka, it is unwise to underestimate the customers. Many people will know about the opening of a new restaurant and will be watching the premises with great anticipation, so the development of start-up requires extra attention.

## Fitting ideas to the market

Publicity plays an important role in the promotion of launching a new restaurant. In this respect, local media can be requested to assist in the launch party.

In Finland people enjoy reading newspapers, through this method, a local newspaper could be asked to advertise the opening of a new restaurant.

Offering a free sample is also a good idea, something free usually excite people so maybe a free glass of wine or two for one meal, on opening night may spark people's interest.

There are also some other sources of communication; for example, internet and mobile phones are useful in marketing.

Another good strategy would be to offer people a free appetizer. A successful launch plays an important role. It is difficult to imagine that people would simply come for the first time and pay a full price at a new restaurant.

## The knowledge of existing business network

Market research is a good source, to learn about the customer expectations. It is a process of planning, collecting and analyzing data relevant to market decisions. The information collected through market research is about customer preferences, perceived benefits of products, and customer lifestyle. Market research has a range of uses from budgeting new products, to fine tuning of existing products and discovering a whole new market concept. For example, everything on the menu list at the Indian Village Restaurant should base on market research. New items on the menu list should be included through customer taste test before adding them to the menu. The observation of existing products in the existing market may help increase the knowledge about standardization of products according to the taste in Finland.

## Standardization of products

The core of a new business is product and services. This can be defined as the complex of tangible and intangible elements that distinguish a product from the other entities in the market. A successful product gives a bundle of satisfaction to a seller. The product planning includes, taste, color and texture, service, and the confidence or prestige for the brand. Therefore it is important to choose the right strategy for product standardization. Standardization is selling and advertising a product in international context. Because of the cultural differences a good way of promoting eastern culture in Finland would be introducing new products according to the Finnish taste also giving something different and new.

Not all people in Finland tend to eat spicy food. By putting less chili, it is possible to standardize the food products according to the Finnish taste.

## External and internal risk factors

The significant risks related to the start-up process of this business, require a special consideration. The basic objective of Indian Village is to obtain adequate financing for the start up process to survive in the market.

The restaurant has a tough competition with other restaurants and independent food providers. Indian Village is an ethnic-based brand, so it will directly compete with other full-meal ethnic brands, offering food at competitive prices.

During this process there are certain risks which need to be considered carefully.

There are a number of restaurants in Kouvola selling food at similar prices. This presents an obvious challenge in terms of market share. New competitors need an innovative concept to make a successful entry. Indian Village Restaurant will offer innovative products in a familiar style to competitors at a competitive price.

Diversity in food products plans of take-out, and delivery service can give advantage to create a good market share.

Indian Village has the following categories of competitors

- Independent table service restaurants of similar menu and price structure
- Ethnic based food providers like Chinese restaurants and Thai

In Kouvola independent operators, who have the similar menus are, Chinese and Thai restaurant. Most of these family restaurants are ethnic based and carry a menu list. In addition, they have buffet times from Monday to Friday.

Chinese and Thai restaurants in Kouvola are long-standing family businesses. They are not new and are doing very well.

There are also some Turkish restaurants, which are relatively new but well established and profitable. They have good marketing resources but similar food products like pizza and kebab, which may not be appealing enough to all people, although their food does appeal to youngsters. In addition, there are some Finnish restaurants that offers buffet at lunch time.

## Competitive Strategy

There are mainly three ways to create an advantage over the competitors:

- 1) Product identity and quality
- 2) High staff motivation and good service attitude
- 3) Innovative service

Indian Village will be the only restaurant amongst its competitors to base their entire



menu on a healthy, low fat cooking. It is important to offer one section on the menu called “healthy choices” in order to attract diet-conscious customers. The target market will perceive Indian Village to be a location for healthy and low fat food providers.

Once customers have come to eat, their experience would be friendly, knowledgeable and healthy.

## Cost strategy

Customers observe everything about a new restaurant, for example, the atmosphere, products, pricing, and product quality.

A good cost strategy has positive effects on products and marketing strategy. The basic mission for an investor is to secure his primary investment and make progress with a high reputation of products.

The cost strategy cannot neglect the amount they invested for production, for example, investors cannot neglect current market prices of competitor products, taxes and building rent.

Pricing requires the examination of relevant products in the market and location of other restaurants. For example, the buffet in Chinese restaurant (Hansa Kouvola) costs a little more than Thai restaurant, which is a little out of the city center.

## Low cost, high volume

A smart strategy for customer maintenance is low-cost high-volume. This strategy is commonly viewed these days, as we see a number of restaurants have low priced buffets and hi-tea offers. If the cost strategy is not solid, a company cannot compete and can go out of business. With the world economy hitting at a low, more and more consumers are tightening their belts and cooking at home, or when they do go out, they look for bargain prices. Many people realize that a night at a restaurant is pure luxury.

Knowing this, a restaurant owner should have a unique strategy to entice people to keep coming through its doors.

However this is a tricky subject and requires a lot of thought and financial strategies. Consider the fact that commodity prices are rising, but cannot be passed on at this moment to consumers. If restaurants try to raise their prices, most consumers will stop going there, and perhaps go to competitors.

A restaurant owner will have to make some tough choices, and his strategy depends on the choices he makes. The low-cost strategies to win customer loyalty is quite common these days, but to optimize the prices on one's menu, one needs to make sure that he is also getting his profit.

## SWOT analysis for "Indian Village Restaurant"

Swot analysis is very important for a new business as mentioned earlier in this thesis. It assesses the strengths, opportunities, weaknesses and the threats. Swot analysis is like digging up the base for a new building. The following Swot analysis captures the key strengths and weaknesses, and describes the opportunities and threats.

### Strengths

Pakistani/Indian culture is Asian culture, yet it is very different from the Chinese or Thai culture. It can be considered an advantage because people in Kouvola are familiar with the Chinese and Thai food but not Pakistani/Indian food so it can be a good source of customer attraction. The food has also some elements of Arabic culture, for example the consumption of meat which is also considered an advantage.

The cultural arrangement of the restaurant can be considered another strong point. The restaurant can be decorated with beautiful cultural paintings that describe the beautiful history of Punjab, India and Pakistan.

Also some traditional antique looking dishes, furniture, embroidery on the table spreads gives a beautiful culture effect, where a customer not only comes for eating food but also gets connected with colors, art, music and history.

## Weaknesses

A limited marketing budget to develop brand image and awareness can be considered a weakness.

A new business depends on good strategies but also mainly on the finances. Investors may be innovative but for a start-up culmination of budget is considered necessary. A new business can take some time to find its foothold, but that Phase is usually considered fragile. A new business may not offer or cannot make all the arrangements perfect, but gradually can be improved. The struggle to continually appear, cutting edge, and a good strategy is needed to hold its primary customers to create the customer attraction.

## Opportunities

There is an opportunity to grow in the targeted market because there is no other Indian/Pakistani restaurant that is considered a positive sign. Increasing sales because of the brand can be considered another opportunity because Indian food has a very old and fascinating history.

The ability to spread and franchise is also an opportunity, there is no Indian restaurant in Kymenlaakson area. It is an opportunity to start, and then expand its branches for example to Kuusankoski and Kotka.

## Threats

Competitions from local restaurants that respond to the Indian Village superior offerings, the competitors in Kouvola can be considered a threat to a new restaurant; they are already established and have regular customers.

A slump in the economy reducing the customer's disposable income spent on eating out is also considered a threat.

Indian and Pakistan food is usually considered spicy but the spices used in Indian dishes are meant to enhance the main ingredient not the other way around. A sensible choice of quantity can enhance a good taste suitable for customers. A complete meal consists of at least two main course dishes which are complimented with rice or bread (Roti)

Most dishes are made up of fruits and vegetables and the idea that Indian/Pakistani cuisine is fatty, rich and oily is definitely a misconception.

## Image creation

After food, atmosphere can be a defining reason whether a customer will return or not. It's important to know how to decorate the restaurants properly and create the right atmosphere to keep customers feeling comfortable, full, and wanting to return again.

As customers enter through the front door, and head to the hostess station, the first thing that clientele will notice is the decor. The tables, chairs, lighting and wall decor should coincide with the theme so customers get the full experience.

Family arrangements need larger tables whereby dating arrangements can be small and more intimate.. The dining area should have plenty of open space for customers and servers to move around freely and not feel crowded. The interior decor needs to create an environment that captivates the customer.

## Exterior Decoration

The outside of the restaurant needs to be attractive and inviting in order to draw the customers into the restaurant. Aside from painting the walls there are a few ways to decorate the exterior of the restaurant. Commercial sized planters could be a great way

to incorporate a sophisticated look, introducing flowers, plants and nature within the restaurant, as well as border or section of exterior seating area.

One strategy is to put planters on castor wheels; that can have exterior look constantly changeable by moving them around with great ease. Also, having additional space can help boost revenue of the restaurant.

For a new business it is very important to develop a good image for its customers. A good image requires all the characteristics and efforts which can help boost the business.

## Restaurant Theme Ideas

The restaurant theme should represent the kind of food we serve as well as the restaurant's name and personality. The theme choice enhances decorating the interior and exterior of the restaurant, catering towards the clientele one intends to attract.

The culture of Punjab is very rich and also has a great history. The beauty of Punjabi people, the love tales, and the folk lore which are known worldwide, can also be a source of attraction and promotion of culture for example through different painting on the walls. Figure 25 below depicts the colours of Punjab.



Figure 25: The colors of Punjab, a Punjabi woman spinning Charkha



Harvest is celebrated on the first day of the month of Baisakhi (April/May)

Figure 26: The celebration of Baisakhi

Figure 26 above portrays celebration of Baisakhi a joyful Bangra dance to Dholak.

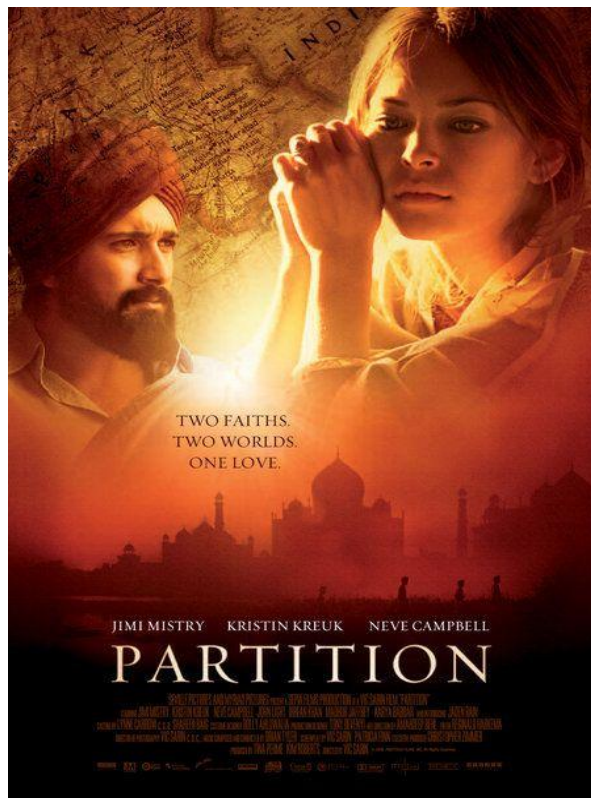


Figure 27: A poster of movie called Partition

Figure 27 above is a movie poster called partition. Many people do not know about the partition so the paintings and posters will surely promote a cultural image and history.

Antiques, ornaments, and eastern musical instruments can lighten up the whole atmosphere. Figure 28 below depicts some cultural musical instruments.



Figure 28: The eastern musical instruments, Tablas and Sitar

Telling people how great the food and atmosphere is at the restaurant is something that can be done all the time when advertising and promoting. Even the words that one uses to describe the menu items can help customers decide on what they wish to order.



### Questionnaire sample/1

Why did you prefer entrepreneurship across culture?

What made you choose particularly the food business?

How helpful was it having a different cultural background starting a new business?

How difficult was it having a different cultural background for a new business?

What sources of attraction do you hold for your customers?

How about the standardization of food?

Does cultural arrangement help customers attraction?

What are the challenges and negative elements regarding your business?

### Questionnaire analysis/2

Have you ever been to any Pakistani/Indian restaurant?

What did you observe while you were there?

What attracts you to select particularly an Indian Restaurant?

Would you like to have an Indian restaurant in your area?

What are your customer expectations regarding a new Indian restaurant?